

Economics 101
Principles of Microeconomics
1-2:20 TuTh, 102 Maxey
Fall 2009

Professor Jan Crouter
146 Maxey (Environmental Studies Center)
Office Hours: 9:30-10:50 MWF, and by
appointment
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Text: We are using Lipsey, Ragan and Storer, Microeconomics, 13th ed., Pearson/Addison-Wesley, 2008. I have placed a copy of the textbook on reserve in the library.

Aplia: This is a web-based economics homework service, and is to be ordered online at: <http://www.aplia.com> for \$15.

Course Web Page: found on CLEo (<https://cleo.whitman.edu/portal/>).

Course Outline: (Assigned chapters and page numbers are in parentheses; "*" indicates a topic or chapter which we probably won't cover even though it would be desirable to do so; "***" indicates a topic or chapter which you may cover on your own)

1. Introduction
 - A. Basic Concepts (1; 2)
 - B. Demand and Supply in Competitive Markets (3)
 - C. Elasticities (4)
 - D. Efficiency and Equity (pp. 276-287)
 - E. Applications of Demand and Supply in Competitive Markets (5; pp. 85-88)
2. Consumer Theory (6, 6A)
3. Producer Theory (7, 8)
4. Product Markets
 - A. Perfect Competition (9)
 - B. Monopoly (10)
 - C. Monopolistic Competition and Oligopoly (11)
5. Public Policies to Address Market Failures
 - A. Public Policies to Address Market Power: Antitrust and Regulation (12)
 - B. Policies for Externalities, Common Resources, Public Goods, Information Problems (16, 17*)
6. Factor Markets (13, 14*)
7. International Trade (33, 34)

Exam Schedule and Grading:

	<u>Date</u>	<u>Percentage points</u>
Exam 1	Th 10/1/09, in class	20
Exam 2	Th 11/12/09, in class	25
Exam 3	Th 12/10/09, in class	25
Aplia Homework	Tuesdays by 12:45—see schedule	10
Traditional Problem Sets	distributed in class	not graded
Bi-weekly Quizzes	certain Thursdays—see schedule	10
News Article Annotations	see schedule	10

Notes:

The requirements for this course include three closed book/closed note examinations, weekly Aplia homework, bi-weekly quizzes, and a set of three news article annotations. Failure to complete all the requirements will result in a failing grade.

The bulk of your grade in the course will be determined by your performance on the three exams. Since microeconomic concepts build upon each other throughout the course, the second and third exams will include material also covered in previous exams. The exams emphasize applications of the concepts presented in class and in the reading, and the exam questions are typically inspired by recent news events. Copies of previous exams for Fall 2008's Econ 177 course (which is like Econ 101, except for its emphasis on environmental and natural resource issues) and of the midterm one and two exams for Spring 2008's Econ 109 courses (which was like Econ 107, the old Principles of Economics course, but with an environmental emphasis) are available through the course web-page, and you will find them helpful in your studying. (Keys are also available for assessing your answers to the questions on the old exams, but you are strongly encouraged to take the old exams before referring to a key.) Nothing but extremely simple calculations will be required on any of the exams, so calculators are not needed (or permitted). However, you may find it useful to bring a ruler--a straight edge is pretty handy for drawing graphs. Conflict exams are not generally available, so schedule your other commitments, including travel, around the dates listed. Note that the third and final exam for our course is scheduled for the last class day on Thursday, December 10, 2009.

The two homework components of the course grade are the graded Aplia assignments (usually two per week) and the ungraded traditional problem sets. To access the Aplia website you will need to register for an account at <http://econ.aplia.com>. (The attached course key page provides the directions.) The cost to you for the Aplia service is \$15, payable by the end of the three week grace period which ends on September 21, 2009. On the Aplia page for this course you will find each week's practice and graded assignments. (See the attached page for a page's worth of the student screen view.) Typically two graded assignments covering the previous week's course material are due each week on Tuesday at 12:45 P.M. For each graded Aplia assignment, there is also an ungraded practice Aplia assignment that provides instant answers and explanations that you may find helpful as you work through the graded assignments, and you can change the answers you submit for the graded assignments up to the Tuesday 12:45 P.M. deadline. I anticipate about an hour of Aplia homework per week. Over the course of the semester, there will be about 21 graded assignments and I will drop your four lowest assignment grades when calculating your overall Aplia homework grade. I will also distribute (and post to the course website on CLEo) three traditional problem sets with questions in the order in which we'll cover these topics for each of the three exams. Although these are not graded, you should work through the problem sets because they (and not the Aplia homework questions) require that you to set up your answers from scratch, a skill you'll need for the exams and quizzes. If you'd like additional practice, you may refer to the problems in the textbook, and answers are posted on CLEo. You should view the Aplia assignments and the traditional problem sets (and the textbook questions) as complementary elements of your homework for the course.

I anticipate about six or seven short weekly quizzes, each based upon the previous two weeks' reading and lectures. Typically, quiz questions will be based upon some recent news article and will provide you some familiarity with my questioning style in preparation for the exams. I hope to devote no more than fifteen minutes of precious class time to each quiz, and make-up quizzes are not generally available, but I will drop your lowest quiz score from my grade calculations. The Aplia homework and the (ungraded) traditional problem set questions will be helpful in preparing for quizzes, as well as exams.

The “News Article Annotations” component of the course entails three very short papers on news articles. During the semester you will compile a set of news clippings with annotations in which you apply economic theory from the course to (part of) a news article. The annotations are typically one or two typed pages in length, including text and graphs, and a sample with further instructions and a schedule of due dates will be provided. Hopefully, the annotations will provide you direct evidence that your knowledge of economics deepens during the semester and that Economics is useful for understanding real world events.

TENTATIVE Class Schedule:

Class Day	Date	Aplia Due (A), News Anno's Due (N), Quiz (Q)	Topic and Chapter for the Day's Lecture/Discussion	Exam Coverage		
1	Tu 9/1/09		Basic Concepts (1, 2*)	Exam 1	Exam 2	Exam 3
2	Th 9/3/09		Basic Concepts (1, 2*)			
3	Tu 9/8/09	A-practice, A1	Demand and Supply in Competitive Markets (3)			
4	Th 9/10/09	Q1	Demand and Supply in Competitive Markets (3)			
5	Tu 9/15/09	A2	Elasticities (4)			
6	Th 9/17/09		Efficiency and Equity (pp. 276-287);			
7	Tu 9/22/09	A3	Applications of Demand and Supply (5; pp. 85-88)			
8	Th 9/24/09	Q2, N1	Applications of Demand and Supply (5; pp. 85-88)			
9	Tu 9/29/09	A4	Consumer Theory (6, 6A)			
10	Th 10/1/09	*****Exam 1 (20%)*****				
11	Tu 10/6/09	A5	Consumer Theory (6, 6A)			
12	Th 10/8/09	Q3	Producer Theory (7,8)			
13	Th 10/15/09		Producer Theory (7,8)			
14	Tu 10/20/09	A6	Perfect Competition (9)			
15	Th 10/22/09	Q4	Perfect Competition (9)			
16	Tu 10/27/09	A7	Monopoly (10)			
17	Th 10/29/09		Monopoly (10)			
18	Tu 11/3/09	A8	Monopolistic Competition and Oligopoly (11)			
19	Th 11/5/09	Q5, N2	Monopolistic Competition and Oligopoly (11)			
20	Tu 11/10/09	A9	Policies for Market Power: Antitrust and Regulation (12)			
21	Th 11/12/09	*****Exam 2 (25%)*****				
22	Tu 11/17/09	A10	Policies for Externalities, Common Resources, Public Goods, Info Problems (16,17*)			
23	Th 11/19/09	Q6	Policies for Externalities, etc.; Factor Markets (13, 14*)			
24	Tu 12/1/09	A11	Factor Markets (13, 14*);			
25	Th 12/3/09	N3	International Trade (33, 34)			
26	Tu 12/8/09	A12, Q7*	International Trade (33, 34)			
27	Th 12/10/09	*****Exam 3 (25%)*****				